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SUMMARY RECORD OF THE 58th MEETING

Chairman: Mr. SENGWE (Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.10 p.m.

ORGANIZATION OF WORK

1. Ms. SHENWICK (United States of America) said that her delegation had substantive concerns about a letter submitted by the Secretary-General to the President of the General Assembly regarding the human resources resolution adopted by the General Assembly at its fifty-first session. She asked for clarification of the status of that letter and for confirmation that no action would be taken on the proposals it contained unless the Fifth Committee decided otherwise.

2. The CHAIRMAN said that the letter had not yet been formally submitted to the Fifth Committee. Once it had been submitted, the Committee would decide how to proceed.

3. He drew attention to the revised programme of work of the Committee (A/C.5/51/L.58/Rev.1) and said that it would be revised further in the light of developments in the informal consultations on the items under consideration.

AGENDA ITEM 141: REPORT OF THE SECRETARY-GENERAL ON THE ACTIVITIES OF THE OFFICE OF INTERNAL OVERSIGHT SERVICES (continued) (A/51/432, A/51/530 and Corr.1 and A/51/801)

AGENDA ITEM 112: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/51/884)

4. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services) said that, in preparing the report on enhancing the internal oversight mechanisms in operational funds and programmes (A/51/801), the Office of Internal Oversight Services had gone through all the stages prescribed for that task in General Assembly resolution 48/218 B, particularly the consultations with the governing bodies of the funds and programmes. The report represented a measured and realistic attempt to create a common framework for oversight functions throughout the United Nations. Endorsement of that approach by the Fifth Committee would help reassure Member States that the funds and programmes took full advantage of the limited resources available to them.

5. The Office's reports on the international tribunals for Rwanda and the former Yugoslavia would be introduced on 27 May 1997 for consideration under the relevant agenda items.

6. The inspection report on the United Nations Centre for Human Settlements (Habitat) (A/51/884), which had been considered at the recent session of the Commission on Human Settlements, identified significant shortcomings in the Centre's management of both its programmes and its human and financial resources. In the area of programmes, a central thrust was lacking and activities did not support each other, with the result that resources tended to be spread too thinly. Also lacking was an effective system for monitoring implementation and assessing results as a management tool. In the area of resource utilization, the anomalies noted in the report represented a pattern

that cut across various aspects of human and financial resource management. They were attributable to weaknesses in the internal control system and to the passive attitude of managers regarding the objectives of such controls and the need to comply with the related procedures.

7. The report concluded that the current work environment at the Centre did not facilitate efficiency and effectiveness and that it had been largely responsible for the financial deficits of the Centre's foundation and overhead accounts, which adversely affected the programme of work and the confidence of donors. Implementation of the recommendations contained in the report would require special effort, cooperation and candid introspection by the staff and management alike.

8. Mr. MENKVELD (Netherlands), speaking on behalf of the European Union, Norway and the associate countries of Cyprus, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, said that the report contained in document A/51/801 had been prepared in consultation with the executive heads and governing bodies of the operational funds and programmes, as stipulated in paragraph 11 of General Assembly resolution 48/218 B. The report had found varying degrees of internal oversight in the funds and programmes, a number of gaps and cases where the standards envisaged in resolution 48/218 B were not being met. Thus, the overall situation of the funds and programmes could be compared to that of the Secretariat before the establishment of the Office of Internal Oversight Services.

9. He was pleased to note that several funds and programmes had taken measures to enhance their internal oversight during the preparation of the report. The recommendations put forward to address the remaining gaps focused on two areas: upgrading and updating the internal oversight mechanisms of the funds and programmes, and defining the relationship, in terms of assistance and coordination, between those mechanisms and the Office of Internal Oversight Services.

10. He was strongly in favour of improved internal oversight in the United Nations system, since internal audit, monitoring, inspection, evaluation, investigation and reporting played a critical role in ensuring effective and efficient management. At the same time, the governing bodies of the funds and programmes were responsible for implementing an enhanced internal evaluation system and reinforced accountability framework within those entities. He looked forward to the implementation of the Secretary-General's recommendations.

11. Ms. RODRÍGUEZ (Cuba) noted with regret that the report of the Secretary-General on the activities of the Office of Internal Oversight Services (OIOS) (A/51/801) was essentially the same as the preliminary document which had been considered by the governing bodies of the United Nations operational funds and programmes, and that little account had been taken of the views expressed by Member States. Indeed, the recommendations contained in the report appeared to have been endorsed en bloc by the governing bodies. In fact, some governing bodies had endorsed the recommendations, others had merely taken note of the document and yet others had requested more time to consider the proposals.

12. She noted the statement in paragraph 28 of the report that under current arrangements, OIOS would provide investigative services as necessary to all operational funds and programmes which did not have a separate investigative unit. However, according to the document which had been circulated by the coordinator of the consultations on that question, most of the governing bodies had taken no decision on the matter. Only the International Trade Centre appeared to have explicitly supported the recommendation. The Committee should therefore not endorse the recommendations contained in the report, since they did not have the support of the majority of governing bodies.

13. While her delegation recognized the need to strengthen coordination between the various oversight bodies of operational funds and programmes, as provided for in Assembly resolution 48/218 B, some of the proposals contained in the report went beyond the coordination function and could in fact weaken the oversight mechanisms of the funds and programmes.

14. Cuba could not accept the recommendation that the reporting procedures of funds and programmes should follow similar lines as those established for OIOS in resolution 48/218 B, in view of the irregularities that were being observed in those procedures. The General Assembly should first evaluate and review the functions and reporting procedures of OIOS, as provided for in paragraph 13 of its resolution 48/218 B.

15. Mr. FARID (Saudi Arabia) said that he fully endorsed the recommendations put forward by the Office of Internal Oversight Services in document A/51/801. He was concerned about the Office's findings at the United Nations Centre for Human Settlements, especially those noted in paragraphs 56, 61, 62 and 63 of its report (A/51/884). He strongly urged the Centre to comply fully with all of the Office's recommendations as soon as possible. With respect to the indication that the Commission on Human Settlements had discussed the Office's report on the Centre, he asked for information on the outcome of those discussions.

16. Mr. FATTAH (Egypt), supported by Mr. MOKTEFI (Algeria), Mr. ZHANG Wanhai (China), Mr. MANLAN (Côte d'Ivoire), Ms. RODRÍGUEZ (Cuba), Mr. SAHA (India), Mr. MIRMOHAMMAD (Islamic Republic of Iran), Ms. OSODE (Liberia) and Mr. MWAKAWAGO (United Republic of Tanzania), asked the Chairman to invite the Executive Director or another senior official of the United Nations Centre for Human Settlements to address the Committee in order to present the Centre's views and comments on the Office's report (A/51/884).

17. The CHAIRMAN said that he took it that members wished to invite the Executive Director of Habitat to address the Committee.

18. It was so decided.

19. Mr. REPASCH (United States of America) said that he supported the Secretary-General's report on enhancing the internal oversight mechanisms in operational funds and programmes (A/51/801) and that he looked forward to the implementation of the recommendations it contained.

20. In reply to the Saudi Arabian delegation's question concerning the outcome of the discussions of the Commission on Human Settlements, he read out two

paragraphs of a resolution adopted at the Commission's recent session, in which the Commission requested the Secretary-General to ensure prompt implementation of the recommendations contained in the Office's report, taking into account the observations and comments of the Executive Director of the Centre and the views expressed by the members of the Commission at its sixteenth session; and noted that the findings of the Office's report were incomplete in several respects, especially with regard to their elaboration of the organizational structure of the Centre and the actions of individuals transferred to other posts. The United States Government, for its part, felt that all senior officials of the Centre were responsible for the problems described in the Office's report.

21. The CHAIRMAN requested the Secretariat to circulate the resolution and other relevant documents emanating from the recent meeting of the Commission on Human Settlements to enable all delegations to participate in the debate.

22. Mr. MENKVELD (Netherlands), speaking on behalf of the European Union, noted that the report of OIOS on the United Nations Centre for Human Settlements (Habitat) (A/51/884) had been issued only a few days prior to the recently concluded meeting of the Commission on Human Settlements. He wondered why it had taken so long after the completion of the review to submit the report. It was fortunate that the Commission had been able at its meeting to take account of the findings and recommendations of OIOS. The management problems identified in the report should be addressed without delay, since the situation could not be allowed to fester any longer.

23. Mr. HANSON (Canada) said that, since the Office's two reports on the international tribunals for Rwanda and the former Yugoslavia had already been issued, they should be introduced earlier than 27 May so that full informal consultations could be held on them during the current resumed session.

24. The CHAIRMAN noted that the relevant reports of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), which would be very helpful to the Committee's consideration of the items, would not be available before 23 May. The Committee should await those reports, which were expected to be lengthy, before introducing the other reports on the Tribunals.

25. Mr. HANSON (Canada) said that it was precisely because the reports of ACABQ had not yet been issued and were expected to be lengthy that he had suggested that the reports of OIOS should be introduced at an earlier stage so that the debate could at least be initiated pending the availability of the other reports.

26. The CHAIRMAN said that the Committee would be advised of the Bureau's decision on the matter.

The meeting rose at 4.05 p.m.